

ASSETS

	Current Statement Date			4
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Column 1 minus 2)	December 31 Prior Year Net Admitted Assets
1. Bonds	2,610,632		2,610,632	2,613,127
2. Stocks:				
2.1 Preferred stocks				
2.2 Common stocks				
3. Mortgage loans on real estate:				
3.1 First liens				
3.2 Other than first liens				
4. Real estate:				
4.1 Properties occupied by the company (less \$encumbrances)				
4.2 Properties held for the production of income (less \$encumbrances)				
4.3 Properties held for sale (less \$encumbrances)				
5. Cash (\$ 10,443,444) and short-term investments (\$)	10,443,444		10,443,444	10,318,148
6. Contract loans (including \$premium notes)				
7. Other invested assets				
8. Receivable for securities				
9. Aggregate write-ins for invested assets				
10. Subtotals, cash and invested assets (Line 1 to Line 9)	13,054,076		13,054,076	12,931,275
11. Investment income due and accrued	31,217		31,217	39,288
12. Premiums and considerations:				
12.1 Uncollected premiums and agents' balances in the course of collection				
12.2 Deferred premiums , agents' balances and installments booked but deferred and not yet due (including \$earned but unbilled premiums)				
12.3 Accrued retrospective premiums				
13. Reinsurance:				
13.1 Amounts recoverable from reinsurers				123,077
13.2 Funds held by or deposited with reinsured companies				
13.3 Other amounts receivable under reinsurance contracts				
14. Amounts receivable relating to uninsured plans				
15.1 Current federal and foreign income tax recoverable and interest thereon				
15.2 Net deferred tax asset				
16. Guaranty funds receivable or on deposit				
17. Electronic data processing equipment and software	2,149,788	2,149,788		
18. Furniture and equipment , including health care delivery assets (\$)	343,671	343,671		
19. Net adjustment in assets and liabilities due to foreign exchange rates				
20. Receivables from parent , subsidiaries and affiliates	86,205		86,205	51,069
21. Health care (\$) and other amounts receivable				
22. Other assets nonadmitted				
23. Aggregate write-ins for other than invested assets	396,125	349,559	46,566	540,299
24. Total assets excluding Separate Accounts , Segregated Accounts and Protected Cell Accounts (Line 10 to 23)	16,061,082	2,843,018	13,218,064	13,685,008
25. From Separate Accounts , Segregated Accounts and Protected Cell Accounts				
26. Total (Line 24 and Line 25)	16,061,082	2,843,018	13,218,064	13,685,008
DETAILS OF WRITE-INS				
0901.				
0902.				
0903.				
0998. Summary of remaining write-ins for Line 09 from overflow page				
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 09 above)				
2301. Prepaid Exp	349,559	349,559		
2302. Other	46,566		46,566	344,849
2303. Pharmacy Rebate				195,450
2398. Summary of remaining write-ins for Line 23 from overflow page				
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)	396,125	349,559	46,566	540,299

LIABILITIES, CAPITAL AND SURPLUS

	Current Period			Prior Year
	1	2	3	4
	Covered	Uncovered	Total	Total
1. Claims unpaid (less \$ reinsurance ceded)		643,617	643,617	3,113,636
2. Accrued medical incentive pool and bonus payments				
3. Unpaid claims adjustment expenses				
4. Aggregate health policy reserves				
5. Aggregate life policy reserves				
6. Property/casualty unearned premium reserve				
7. Aggregate health claim reserves				
8. Premiums received in advance				
9. General expenses due or accrued		1,679,969	1,679,969	2,524,905
10.1 Current federal and foreign income tax payable and interest thereon (including \$on realized capital gains (losses))				
10.2 Net deferred tax liability				
11. Ceded reinsurance premiums payable				
12. Amounts withheld or retained for the account of others				
13. Remittances and items not allocated				
14. Borrowed money (including \$ current) and interest thereon \$ (including \$ current)				
15. Amounts due to parent, subsidiaries and affiliates		1,339,929	1,339,929	2,908,442
16. Payable for securities				
17. Funds held under reinsurance treaties with (\$ authorized reinsurers and \$ unauthorized reinsurers)				
18. Reinsurance in unauthorized companies				
19. Net adjustments in assets and liabilities due to foreign exchange rates				
20. Liability for amounts held under uninsured accident and health plans				
21. Aggregate write-ins for other liabilities (including \$ current)				
22. Total liabilities (Line 1 to Line 21)		3,663,515	3,663,515	8,546,983
23. Common capital stock	X X X	X X X		
24. Preferred capital stock	X X X	X X X		
25. Gross paid in and contributed surplus	X X X	X X X	3,699,818	3,699,818
26. Surplus notes	X X X	X X X	6,750,515	6,750,515
27. Aggregate write-ins for other than special surplus funds	X X X	X X X		
28. Unassigned funds (surplus)	X X X	X X X	(895,783)	(5,312,305)
29. Less treasury stock , at cost:				
29.1 shares common (value included in Line 23 \$)	X X X	X X X		
29.2 shares preferred (value included in Line 24 \$)	X X X	X X X		
30. Total capital and surplus (Line 23 to Line 28 minus Line 29)	X X X	X X X	9,554,550	5,138,028
31. Total Liabilities, capital and surplus (Line 22 and Line 30)	X X X	X X X	13,218,065	13,685,011
DETAILS OF WRITE-INS				
2101.				
2102.				
2103.				
2198. Summary of remaining write-ins for Line 21 from overflow page				
2199. Totals (Line 2101 through Line 2103 plus Line 2198) (Line 21 above)				
2701.	X X X	X X X		
2702.	X X X	X X X		
2703.	X X X	X X X		
2798. Summary of remaining write-ins for Line 27 from overflow page	X X X	X X X		
2799. Totals (Line 2701 through Line 2703 plus Line 2798) (Line 27 above)	X X X	X X X		

STATEMENT OF REVENUE AND EXPENSES

	Current Year to Date		Prior Year to Date
	1	2	3
	Uncovered	Total	Total
1. Member Months	X X X	578,394	2,414,074
2. Net premium income (including \$ non-health premium income)	X X X		116,527,239
3. Change in unearned premium reserves and reserve for rate credits	X X X		
4. Fee-for-service (net of \$ medical expenses)	X X X		
5. Risk revenue	X X X		
6. Aggregate write-ins for other health care related revenues	X X X		
7. Aggregate write-ins for other non-health revenues	X X X		
8. Total revenues (Line 2 to Line 7)	X X X		116,527,239
Hospital and Medical:			
9. Hospital/medical benefits		(997,103)	23,017,195
10. Other professional services		(1,523,944)	45,765,150
11. Outside referrals			
12. Emergency room and out-of-area			26,258,265
13. Prescription drugs		(90)	21,000,488
14. Aggregate write-ins for other hospital and medical			
15. Incentive pool and withhold adjustments			
16. Subtotal (Line 9 to Line 15)		(2,521,137)	116,041,098
Less:			
17. Net reinsurance recoveries			214,731
18. Total hospital and medical (Line 16 minus Line 17)		(2,521,137)	115,826,367
19. Non-health claims			
20. Claims adjustment expenses		729,668	582,251
21. General administrative expenses		(2,799,754)	3,301,428
22. Increase in reserves for life and accident and health contracts (including \$ increase in reserves for life only)			
23. Total underwriting deductions (Line 18 through Line 22)		(4,591,223)	119,710,046
24. Net underwriting gain or (loss) (Line 8 minus Line 23)	X X X	4,591,223	(3,182,807)
25. Net investment income earned		52,105	1,065,208
26. Net realized capital gains or (losses)			
27. Net investment gains or (losses) (Line 25 plus Line 26)		52,105	1,065,208
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$) (amount charged off \$)]			
29. Aggregate write-ins for other income or expenses		243,119	456,078
30. Net income or (loss) before federal income taxes (Lines 24 plus 27 plus 28 plus 29)	X X X	4,886,447	(1,661,521)
31. Federal and foreign income taxes incurred	X X X		
32. Net income (loss) (Line 30 minus Line 31)	X X X	4,886,447	(1,661,521)
DETAILS OF WRITE-INS			
0601.	X X X		
0602.	X X X		
0603.	X X X		
0698. Summary of remaining write-ins for Line 6 from overflow page	X X X		
0699. Totals (Line 0601 through Line 0603 plus Line 0698) (Line 6 above)	X X X		
0701.	X X X		
0702.	X X X		
0703.	X X X		
0798. Summary of remaining write-ins for Line 7 from overflow page	X X X		
0799. Totals (Line 0701 through Line 0703 plus Line 0798) (Line 7 above)	X X X		
1401.			
1402.			
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page			
1499. Totals (Line 1401 through Line 1403 plus Line 1498) (Line 14 above)			
2901.		243,119	456,078
2902.			
2903.			
2998. Summary of remaining write-ins for Line 29 from overflow page			
2999. Totals (Line 2901 through Line 2903 plus Line 2998) (Line 29 above)		243,119	456,078

STATEMENT OF REVENUE AND EXPENSES (continued)

CAPITAL AND SURPLUS ACCOUNT	1	2
	Current Year to Date	Prior Year to Date
33. Capital and surplus prior reporting period	5,138,033	13,638,584
GAINS AND LOSSES TO CAPITAL AND SURPLUS		
34. Net income (loss) from Line 32	4,886,447	(1,661,522)
35. Change in valuation basis of aggregate policy and claims reserves		
36. Net unrealized capital gains and losses		
37. Change in net unrealized foreign exchange capital gain or (loss)		
38. Change in net deferred income tax		
39. Change in nonadmitted assets	(469,925)	(293,494)
40. Change in unauthorized reinsurance		
41. Change in treasury stock		
42. Change in surplus notes		
43. Cumulative effect of changes in accounting principles		
44. Capital Changes:		
44.1 Paid in		
44.2 Transferred from surplus (Stock Dividend)		
44.3 Transferred to surplus		
45. Surplus adjustments:		
45.1 Paid in		
45.2 Transferred to capital (Stock Dividend)		
45.3 Tranferred from capital		
46. Dividends to stockholders		
47. Aggregate write-ins for gains or (losses) in surplus		(6,545,535)
48. Net change in capital and surplus (Line 34 to Line 47)	4,416,522	(8,500,551)
49. Capital and surplus end of reporting period (Line 33 plus Line 48)	9,554,555	5,138,033
DETAILS OF WRITE-INS		
4701. Audit Adjustment		(6,545,535)
4702.		
4703.		
4798. Summary of remaining write-ins for Line 47 from overflow page		
4799. Totals (Line 4701 through Line 4703 plus Line 4798) (Line 47 above)		(6,545,535)

CASH FLOW

	1	2
	Current Year To Date	Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance		118,796,726
2. Net investment income	60,176	1,062,842
3. Miscellaneous income	207,983	456,078
4. Total (Line 1 through Line 3)	268,159	120,315,646
5. Benefit and loss related payments	900,585	155,374,170
6. Net transfers to Separate , Segregated Accounts and Protected Cell Accounts		
7. Commissions , expenses paid and aggregate write-ins for deductions	(1,106,362)	2,745,530
8. Dividends paid to policyholders		
9. Federal and foreign income taxes paid (recovered) \$ net tax on capital gain (losses)		
10. Total (Line 5 through Line 9)	(205,777)	158,119,700
11. Net cash from operations (Line 4 minus Line 10)	473,936	(37,804,054)
Cash from Investments		
12. Proceeds from investments sold , matured or repaid:		
12.1 Bonds		15,126,235
12.2 Stocks		
12.3 Mortgage loans		
12.4 Real estate		
12.5 Other invested assets		
12.6 Net gains or (losses) on cash and short-term investments		
12.7 Miscellaneous proceeds		
12.8 Total investment proceeds (Lines 12.1 to 12.7)		15,126,235
13. Cost of investments acquired (long-term only):		
13.1 Bonds		15,628,535
13.2 Stocks		
13.3 Mortgage loans		
13.4 Real estate		
13.5 Other invested assets		
13.6 Miscellaneous applications	348,640	
13.7 Total investments acquired (Lines 13.1 to Line 13.6)	348,640	15,628,535
14. Net increase or (decrease) in policy loans and premium notes		
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	(348,640)	(502,300)
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes , capital notes		
16.2 Capital and paid in surplus , less treasury stock		
16.3 Borrowed funds received		
16.4 Net deposits on deposit-type contracts and other insurance liabilities		
16.5 Dividends to stockholders		
16.6 Other cash provided (applied)		(837,208)
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)		(837,208)
RECONCILIATION OF CASH AND SHORT-TERM INVESTMENTS		
18. Net change in cash and short-term investments (Line 11 plus Line 15 and Line 17)	125,296	(39,143,562)
19. Cash and short-term investments:		
19.1 Beginning of period	10,318,148	49,461,710
19.2 End of period (Line 18 plus Line 19.1)	10,443,444	10,318,148

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

	1 Total	Comprehensive (Hospital and Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefit Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Stop Loss	11 Disability Income	12 Long-Term Care	13 Other
		2 Individual	3 Group										
Total Members at end of:													
1. Prior Year	191,307								191,307				
2. First Quarter	197,048								197,048				
3. Second Quarter													
4. Third Quarter													
5. Current Year													
6. Current Year Member Months	578,394								578,394				
Total Member Ambulatory Encounters for Period:													
7. Physician	212,435								212,435				
8. Non-Physician	16,750								16,750				
9. Total	229,185								229,185				
10. Hospital Patient Days Incurred	25,296								25,296				
11. Number of Inpatient Admissions	5,358								5,358				
12. Health Premiums Collected													
13. Life Premiums Direct													
14. Property/Casualty Premiums Written													
15. Health Premiums Earned													
16. Property/Casualty Premiums Earned													
17. Amount Paid for Provision of Health Care Services													
18. Amount Incurred for Provision of Health Care Services													

CLAIMS PAYABLE (Reported and Unreported)

Aging Analysis of Unpaid Claims

1 Account	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 91 - 120 Days	6 Over 120 Days	7 Total
0599999 - Unreported claims and other claim reserves.....						643,617
0799999 - Total claims payable.....						643,617

UNDERWRITING AND INVESTMENT EXHIBIT

ANALYSIS OF CLAIMS UNPAID - PRIOR YEAR - NET OF REINSURANCE

Line of Business	Claims Paid Year to Date		Liability End of Current Quarter		5 Claims Incurred in Prior Years (Columns 1 plus 3)	6 Estimated Claim Reserve and Claim Liability December 31 of Prior Year
	1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid December 31 of Prior Year	4 On Claims Incurred During the Year		
1. Comprehensive (hospital and medical)						
2. Medicare Supplement						
3. Dental only						
4. Vision only						
5. Federal Employees Health Benefits Plan Premiums						
6. Title XVIII - Medicare						
7. Title XIX - Medicaid	1,020,420		643,617		1,664,037	3,113,636
8. Other health						
9. Health subtotal (Line 1 to Line 8)	1,020,420		643,617		1,664,037	3,113,636
10. Other non-health						
11. Medical incentive pools, accruals and disbursements						
12. Totals	1,020,420		643,617		1,664,037	3,113,636

GENERAL INTERROGATORIES

(Responses to these interrogatories should be based on changes that have occurred since prior year end unless otherwise noted)

PART 1 - COMMON INTERROGATORIES

GENERAL

1.1 Did the reporting entity implement any significant accounting policy changes which would require disclosure in the Notes to the Financial Statements? Yes () No ()

1.2 If yes, explain:

2.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? Yes () No ()

2.2 If yes, has the report been filed with the domiciliary state? Yes () No ()

3.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes () No ()

3.2 If yes, date of change: _____
If not previously filed, furnish herewith a certified copy of the instrument as amended.

4. Have there been any substantial changes in the organizational chart since the prior quarter end? Yes () No ()

If yes, attach an explanation.

5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes () No ()

5.2 If yes, provide name of entity, NAIC Com
merger or consolidation.

	<div style="font-size: 100px; text-align: center;">NONE</div>		3
		any Code	State of Domicile

6. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? Yes () No () N/A ()

If yes, attach an explanation.

7.1 State as of what date the latest financial examination of the reporting entity was made or is being made.

7.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.

7.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).

7.4 By what department or departments?

8.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? (You need not report an action, either formal or informal, if a confidentiality clause is part of the agreement.)

Yes () No ()

8.2 If yes, give full information

9.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes () No ()

9.2 If response to 9.1 is yes, please identify the name of the bank holding company.

9.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes () No ()

9.4 If response to 9.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 OTS	6 FDIC	7 SEC

GENERAL INTERROGATORIES (continued)

(Responses to these interrogatories should be based on changes that have occurred since prior year end unless otherwise noted .)

INVESTMENT

10.1 Has there been any change in the reporting entity's own preferred or common stock? Yes () No ()

10.2 If yes, explain

11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) Yes () No ()

11.2 If yes, give full and complete information relating thereto:

12. Amount of real estate and mortgages held in other invested assets in Schedule BA: \$

13. Amount of real estate and mortgages held in short-term investments: \$

14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes () No ()

14.2 If yes, please complete the following:

	1 Prior Year-End Statement Value	2 Current Quarter Statement Value
14.21 Bonds	\$	\$
14.22 Preferred Stock	\$	\$
14.23 Common Stock	\$	\$
14.24 Short-Term Investments	\$	\$
14.25 Mortgages, Loans or Real Estate	\$	\$
14.26 All Other	\$	\$
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26)	\$	\$
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above	\$	\$
14.29 Receivable from Parent not included in Lines 14.21 to 14.26 above	\$	\$

15.1 Has the reporting entity entered into any hedging transactions reported on schedule DB? Yes () No ()

15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes () No ()

If no, attach a description with this statement.

16. Excluding items in Schedule E, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Part 1-General, Section IV.H-Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? Yes () No ()

16.1 For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

1 Name of Custodian(s)	NONE	

16.2 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

1 Name(s)	2 Location(s)	3 Complete Explanation(s)

16.3 Have there been any changes, including name changes, in the custodian(s) identified in 16.1 during the current quarter? Yes () No ()

16.4 If yes, give full and complete information relating thereto:

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason

16.5 Identify all investment advisors, brokers/dealers or individuals acting on behalf of brokers/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1 Central Registration Depository	2 Name(s)	3 Address

SCHEDULE A - VERIFICATION

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year		
2. Increase (decrease) by adjustment		
3. Cost of acquired		
4. Cost of additions to and permanent improv		
5. Total profit (loss) on sales		
6. Increase (decrease) by foreign exchange		
7. Amount received on sales		
8. Book/adjusted carrying value at end of cu		
9. Total valuation allowance		
10. Subtotal (Line 8 plus Line 9)		
11. Total nonadmitted amounts		
12. Statement value, current period (Page 2, year ended <i>ended</i> , current period		

SCHEDULE B - VERIFICATION

	1 Year To Date	2 Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest on mortgages owned, December 31 of prior year		
2. Amount loaned during period:		
2.1 Actual cost at time of acquisitions ..		
2.2 Additional investment made after ac ..		
3. Accrual of discount and mortgage interest		
4. Increase (decrease) by adjustment		
5. Total profit (loss) on sale		
6. Amounts paid on account or in full during t		
7. Amortization of premium		
8. Increase (decrease) by foreign exchange		
9. Book value/recorded investment excluding		
10. Total valuation allowance		
11. Subtotal (Line 9 plus Line 10)		
12. Total nonadmitted amounts		
13. Statement value of mortgages owned at end of current period		

SCHEDULE BA - VERIFICATION

Other Invested Assets Included in Schedule BA

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of long-term invested assets owned, December 31 of prior year		
2. Cost of acquisitions during period:		
2.1 Actual cost at time of acquisitions ..		
2.2 Additional investment made after ac ..		
3. Accrual of discount		
4. Increase (decrease) by adjustment		
5. Total profit (loss) on sale		
6. Amounts paid on account or in full during t		
7. Amortization of premium		
8. Increase (decrease) by foreign exchange		
9. Book/adjusted carrying value of long-term		
10. Total valuation allowance		
11. Subtotal (Line 9 plus Line 10)		
12. Total nonadmitted amounts		
13. Statement value of long term invested assets at end of current period		

SCHEDULE D - VERIFICATION

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks. December 31 of prior year		
2. Cost of bonds and stocks acquired		
3. Accrual of discount		
4. Increase (decrease) by adjustment		
5. Increase (decrease) by foreign exchange		
6. Total profit (loss) on disposal		
7. Consideration for bonds and stocks dispos		
8. Amortization of premiums		
9. Book/ajusted carrying value, current peri		
10. Total valuation allowance		
11. Subtotal (Line 9 plus Line 10)		
12. Total nonadmitted amounts		
13. Statement value (Line 11 minus Line 12)		

SCHEDULE D - PART 1B

Showing the Acquisitions , Dispositions and Non-Trading Activity
During the Current Quarter for all Bonds and Preferred Stock by Rating Class

	1	2	3	4	5	6	7	8
	Book/Adjusted Carrying Value Beginning of Current Quarter	Acquisitions During Current Quarter	Dispositions During Current Quarter	Non-Trading Activity During Current Quarter	Book/Adjusted Carrying Value End of First Quarter	Book/Adjusted Carrying Value End of Second Quarter	Book/Adjusted Carrying Value End of Third Quarter	Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. Class 1.....	2,613,127			2,495	2,610,632			2,613,127
2. Class 2.....								
3. Class 3.....								
4. Class 4.....								
5. Class 5.....								
6. Class 6.....								
7. Total Bonds.....	2,613,127			2,495	2,610,632			2,613,127
PREFERRED STOCK								
8. Class 1.....								
9. Class 2.....								
10. Class 3.....								
11. Class 4.....								
12. Class 5.....								
13. Class 6.....								
14. Total Preferred Stock.....								
15. Total Bonds and Preferred Stock.....	2,613,127			2,495	2,610,632			2,613,127

SCHEDULE DA - PART 1

Short-Term Investments Owned End of Current Quarter

	1	2	3	4	5
	Book / Adjusted Carrying Value	Par Value	Actual Cost	Amount of Interest Received Current Quarter	Paid for Accrued Interest
8099999 Totals	NONE	

SCHEDULE DA - PART 2 - VERIFICATION

Short-Term Investments Owned

	1	2
	Year To Date	Prior Year Ended December 31
1. Book / adjusted carrying value, December 31 of prior year
2. Cost of short-term investments acquired
3. Increase (decrease) by adjustment
4. Increase (decrease) by foreign exchange ac
5. Total profit (loss) on disposal of short-term i	NONE	
6. Consideration received on disposal of short-t		
7. Book / adjusted carrying value, current peric		
8. Total valuation allowance		
9. Subtotal (Line 7 plus Line 8)
10. Total nonadmitted amounts
11. Statement value (Line 9 minus Line 10)
12. Income collected during period
13. Income earned during period

SCHEDULE DB - PART F - SECTION 1

Summary of Replicated (Synthetic) Assets Open

Replicated (Synthetic) Asset					Components of the Replicated (Synthetic) Asset						
1	2	3	4	5	Derivative Instruments Open		Cash Instrument(s) Held				
Replication RSAT Number	Description	NAIC Designation or Other Description	Statement Value	Fair Value	6	7	8	9	10	11	12
					Description	Fair Value	CUSIP	Description	Statement Value	Fair Value	NAIC Designation or Other Description

NONE

SCHEDULE DB - PART F - SECTION 2

Reconciliation of Replicated (Synthetic) Assets Open

	First Quarter		Second Quarter		Third Quarter		Fourth Quarter		Year-To-Date	
	1	2	3	4	5	6	7	8	9	10
	Number of Positions	Total Replicated (Synthetic) Assets Statement Value	Number of Positions	Total Replicated (Synthetic) Assets Statement Value	Number of Positions	Total Replicated (Synthetic) Assets Statement Value	Number of Positions	Total Replicated (Synthetic) Assets Statement Value	Number of Positions	Total Replicated (Synthetic) Assets Statement Value
1. Beginning Inventory										
2. Add: Opened or Acquired Transactions										
3. Add: Increases in Replicated Asset Statement Value	X X X						X X X		X X X	
4. Less: Closed or Disposed of Transactions										
5. Less: Positions Disposed of for Failing Effectiveness Criteria										
6. Less: Decreases in Replicated (Synthetic) Asset Statement Value	X X X						X X X		X X X	
7. Ending Inventory										

NONE

SCHEDULE S - CEDED REINSURANCE

Showing all new reinsurers - Current Year to Date

1 NAIC Company Code	2 Federal ID Number	3 Name of Reinsurer	4 Location	5 Is Insurer Authorized? (Yes or No)
Accident and Health - Non-Affiliates		Executive Risk indemnity Inc	Simsbury, CT	Yes
0499996 - Accident and Health - Non-Affiliates				

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Allocated by States and Territories

			1	2	Direct Business Only Year to Date					
			Guaranty Fund (Yes or No)	Is Insurer Licensed ? (Yes or No)	3	4	5	6 Federal Employees Health Benefits Program Premiums	7 Life and Annuity Premiums and Deposit-Type Contract Funds	8 Property/ Casualty Premiums
States, Etc.					Accident and Health Premiums	Medicare Title XVIII	Medicaid Title XIX			
1.	Alabama	AL	NO	NO						
2.	Alaska	AK	NO	NO						
3.	Arizona	AZ	NO	NO						
4.	Arkansas	AR	NO	NO						
5.	California	CA	NO	NO						
6.	Colorado	CO	NO	NO						
7.	Connecticut	CT	NO	NO						
8.	Delaware	DE	NO	NO						
9.	District of Columbia	DC	NO	NO						
10.	Florida	FL	NO	NO						
11.	Georgia	GA	NO	NO						
12.	Hawaii	HI	NO	NO						
13.	Idaho	ID	NO	NO						
14.	Illinois	IL	NO	NO						
15.	Indiana	IN	NO	NO						
16.	Iowa	IA	NO	NO						
17.	Kansas	KS	NO	NO						
18.	Kentucky	KY	NO	NO						
19.	Louisiana	LA	NO	NO						
20.	Maine	ME	NO	NO						
21.	Maryland	MD	NO	NO						
22.	Massachusetts	MA	NO	NO						
23.	Michigan	MI	NO	NO						
24.	Minnesota	MN	NO	NO						
25.	Mississippi	MS	NO	NO						
26.	Missouri	MO	NO	NO						
27.	Montana	MT	NO	NO						
28.	Nebraska	NE	NO	NO						
29.	Nevada	NV	NO	NO						
30.	New Hampshire	NH	NO	NO						
31.	New Jersey	NJ	NO	NO						
32.	New Mexico	NM	NO	NO						
33.	New York	NY	NO	NO						
34.	North Carolina	NC	NO	NO						
35.	North Dakota	ND	NO	NO						
36.	Ohio	OH	NO	NO						
37.	Oklahoma	OK	NO	NO						
38.	Oregon	OR	NO	NO						
39.	Pennsylvania	PA	NO	NO						
40.	Rhode Island	RI	NO	NO						
41.	South Carolina	SC	NO	NO						
42.	South Dakota	SD	NO	NO						
43.	Tennessee	TN	NO	YES						
44.	Texas	TX	NO	NO						
45.	Utah	UT	NO	NO						
46.	Vermont	VT	NO	NO						
47.	Virginia	VA	NO	NO						
48.	Washington	WA	NO	NO						
49.	West Virginia	WV	NO	NO						
50.	Wisconsin	WI	NO	NO						
51.	Wyoming	WY	NO	NO						
52.	American Samoa	AS	NO	NO						
53.	Guam	GU	NO	NO						
54.	Puerto Rico	PR	NO	NO						
55.	U.S. Virgin Islands	VI	NO	NO						
56.	Canada	CN	NO	NO						
57.	Aggregate Other Alien	OT	X X X	X X X						
58.	Total (Direct Business)		X X X	(a) 1						
DETAILS OF WRITE-INS										
5701.									
5702.									
5703.									
5798.	Summary of remaining write-ins for Line 57 from overflow page									
5799.	Total (Line 5701 through Line 5703 plus Line 5798) (Line 57 above)									

(a) Insert the number of yes responses except for Canada and Other Alien .

**SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES
OF INSURER MEMBERS OF A HOLDING COMPANY GROUP**

PART 1 - ORGANIZATIONAL CHART

NONE

SCHEDULE A - PART 2

Showing all Real Estate ACQUIRED During the Current Quarter

1 Description of Property	Location		4 Date Acquired	5 Name of Vendor	6 Actual Cost	7 Amount of Encumbrances	8 Book / Adjusted Carrying Value Less Encumbrances	9 Expended for Additions and Permanent Improvements
	2 City	3 State						

NONE

SCHEDULE A - PART 3

Showing all Real Estate SOLD during the Quarter , including Payments during the Final Year on "Sales under Contract"

1 Description of Property	Location		4 Disposal Date	5 Name of Purchaser	6 Actual Cost	7 Increase (Decrease) by Adjustment	8 Increase (Decrease) by Foreign Exchange Adjustment	9 Expended for Additions, Permanent Improvements and Changes in Encumbrances	10 Book /Adjusted Carrying Value Less Encumbrances	11 Amounts Received	12 Foreign Exchange Profit (Loss) on Sale	13 Realized Profit (Loss) on Sale	14 Total Profit (Loss) on Sale	15 Gross Income Earned Less Interest Incurred on Encumbrances	16 Taxes, Repairs and Expenses Incurred
	2 City	3 State													

NONE

SCHEDULE B - PART 1

Showing all Mortgage Loans ACQUIRED during the Current Quarter

1	Location		4	5	6	7	8	9	10	11
Loan Number	2 City	3 State	Loan Type	Date Acquired	Rate of Interest	Book Value/Recorded Investment Excluding Accrued Interest	Increase (Decrease) by Adjustment	Increase (Decrease) by Foreign Exchange Adjustment	Value of Land and Buildings	Date of Last Appraisal or Valuation

NONE

SCHEDULE B - PART 2

Showing all Mortgage Loans SOLD , transferred or paid in full during the Current Quarter

1	Location		4	5	6	7	8	9	10	11	12	13
Loan Number	2 City	3 State	Loan Type	Date Acquired	Book Value/Recorded Investment Excluding Accrued Interest Prior Year	Increase (Decrease) by Adjustment	Increase (Decrease) by Foreign Exchange Adjustment	Book Value/Recorded Investment Excluding Accrued Interest at Disposition	Consideration Received	Foreign Exchange Profit (Loss) on Sale	Realized Profit (Loss) on Sale	Total Profit (Loss) on Sale

NONE

SCHEDULE BA - PART 1

Showing Other Long-Term Invested Assets ACQUIRED During the Current Quarter

1 Number of Units and Description	Location		4 Name of Vendor	5 Date Acquired	6 Actual Cost	7 Amount of Encumbrances	8 Book / Adjusted Carrying Value Less Encumbrances	9 Increase (Decrease) by Adjustment	10 Increase (Decrease) by Foreign Exchange Adjustment
	2 City	3 State							

NONE

SCHEDULE BA - PART 2

Showing Other Long-Term Invested Assets SOLD , transferred or paid in full during the Current Quarter

1 Number of Units and Description	Location		4 Name of Purchaser or Nature of Disposition	5 Date Acquired	6 Book / Adjusted Carrying Value Less Encumbrances Prior Year	7 Increase (Decrease) by Adjustment	8 Increase (Decrease) by Foreign Exchange Adjustment	9 Book / Adjusted Carrying Value less Encumbrances at Disposition	10 Consideration Received	11 Foreign Exchange Profit (Loss) on Sale	12 Realized Profit (Loss) on Sale	13 Total Profit (Loss) on Sale
	2 City	3 State										

NONE

SCHEDULE D - PART 3

Show All Long-term Bonds and Stock Acquired by the Company During the Current Quarter

1	2	3	4	5	6	7	8	9
CUSIP Identification	Description	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation (a)

NONE

(a) For all common stock bearing the NAIC designation "U" provide: the number of such issues

SCHEDULE D - PART 4

Show All Long-term Bonds and Stock Sold , Redeemed or Otherwise Disposed of
by the Company During the Current Quarter

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
CUSIP Identif- ication	Description	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Book/Adjusted Carrying Value at Disposal Date	Increase (Decrease) by Adjustment	Increase (Decrease) by Foreign Exchange Adjustment	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Interest on Bonds Received During Year	Dividends on Stocks Received During Year	NAIC Designa- tion (a)

NONE

(a) For all common stock bearing the NAIC designation 'U' provide: the number of such issues

SCHEDULE DB - PART A - SECTION 1

Showing all Options , Caps , Floors and Insurance Futures Options Owned at Current Statement Date

1	2	3	4	5	6	7	8	9	10	11	12	13	14
Description	Number of Contracts or Notional Amount	Date of Maturity, Expiry, or Settlement	Strike Price, Rate, or Index	Date of Acquisition	Exchange or Counterparty	Cost/Option Premium	Book Value	*	Statement Value	Fair Value	Year to Date Increase / (Decrease) by Adjustment	Used to Adjust Basis of Hedged Item	Other Investment/ Miscellaneous Income

NONE

SCHEDULE DB - PART B - SECTION 1

Showing all Options , Caps , Floors and Insurance Futures Options Written and In-Force at Current Statement Date

1	2	3	4	5	6	7	8	9	10	11	12	13	14
Description	Number of Contracts or Notional Amount	Date of Maturity, Expiry, or Settlement	Strike Price, Rate, or Index	Date of Issuance/ Purchase	Exchange or Counterparty	Consideration Received	Book Value	*	Statement Value	Fair Value	Year to Date Increase / (Decrease) by Adjustment	Used to Adjust Basis	Other Investment/ Miscellaneous Income

NONE

SCHEDULE DB - PART C - SECTION 1

Showing all Collar , Swap and Forwards Open at Current Statement Date

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Description	Notional Amount	Date of Maturity , Expiry , or Settlement	Strike Price , Rate or Index Rec (Pay)	Date of Opening Position or Agreement	Exchange or Counterparty	Cost or (Consideration Received)	Book Value	*	Statement Value	Fair Value	Year to Date Increase (Decrease) by Adjustment	Used to Adjust Basis of Hedged Item	Other Investment / Miscellaneous Income	Potential Exposure

NONE

SCHEDULE DB - PART D - SECTION 1

Showing all Futures Contracts and Insurance Futures Contracts at Current Statement Date

1	2	3	4	5	6	7	8	9	Variation Margin Information			13
Description	Number of Contracts	Maturity Date	Original Value	Current Value	Variation Margin	Date of Opening Position	Exchange or Counterparty	Cash Deposit	10 Recognized	11 Used to Adjust Basis of Hedged Item	12 Deferred	Potential Exposure

NONE

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1		2	3	4	Book Balance at End of Each Month During Current Quarter			8
Depository					5	6	7	
Name	Location and Supplemental Information							
Open Depositories								
GENERAL OPERATING	NBC				122,338	122,338	122,338	
CLAIMS	NBC				(100,500)	(100,500)	(100,500)	
GENERAL OPERATING	AMSOUTH		5,897		5,510,397	565,508	7,393,097	
CLAIMS	AMSOUTH				(10,808,493)	(12,477,459)	(14,419,418)	
PAYROLL	AMSOUTH				(30,701)	(19,226)	10,278	
INVESTMENT	AMSOUTH				3,832	3,832	3,832	
TRUST	AMSOUTH		13,722		14,113,070	21,078,579	17,205,653	
INVESTMENT	NBC		601		186,022	227,575	227,764	
0199999 - TOTAL - Open Depositories			20,220		8,995,965	9,400,647	10,443,044	
0399999 - TOTAL Cash on Deposit			20,220		8,995,965	9,400,647	10,443,044	
0499999 - Cash in Company's Office					400	400	400	
0599999 - TOTALS			20,220		8,996,365	9,401,047	10,443,444	